

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Planning and Building	(2) MEETING DATE 11-15-2011	(3) CONTACT/PHONE Trevor Keith, Energy Program Coordinator	
(4) SUBJECT Resubmittal of a Resolution and a Joint Exercise of Powers Agreement to join California Rural Home Mortgage Finance Authority Homebuyers Fund as an Associate Member.			
(5) RECOMMENDED ACTION It is recommended that the Board of Supervisors: <ol style="list-style-type: none"> 1. Adopt the attached resolution marked as Exhibit "A", to join the California Rural Home Mortgage Finance Authority Homebuyers Fund as an Associate Member and direct the Chairman to sign. 2. Adopt the attached Joint Exercise of Powers Agreement marked Exhibit "B" between the County of San Luis Obispo and the California Rural Home Mortgage Finance Authority Homebuyers Fund as an Associate Member. 			
(6) FUNDING SOURCE(S) N/A	(7) CURRENT YEAR FINANCIAL IMPACT \$0.00	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation (Time Est. _____) <input type="checkbox"/> Hearing (Time Est. _____) <input type="checkbox"/> Board Business			
(11) EXECUTED DOCUMENTS <input checked="" type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A		(12) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	
(13) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(14) W-9 <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	
(15) LOCATION MAP N/A	(16) BUSINESS IMPACT STATEMENT? No	(17) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date __9/13/11_____	
(18) ADMINISTRATIVE OFFICE REVIEW			
(19) SUPERVISOR DISTRICT(S) All Districts -			



County of San Luis Obispo

TO: Board of Supervisors

FROM: Planning and Building / Trevor Keith, Energy Program Coordinator

DATE: 11-15-2011

SUBJECT: Resubmittal of a Resolution and a Joint Exercise of Powers Agreement to join California Rural Home Mortgage Finance Authority Homebuyers Fund as an Associate Member.

RECOMMENDATION

It is recommended that the Board of Supervisors:

1. Adopt the attached resolution marked as Exhibit "A", to join the California Rural Home Mortgage Finance Authority Homebuyers Fund as an Associate Member and direct the Chairman to sign.
2. Adopt the attached Joint Exercise of Powers Agreement marked Exhibit "B" between the County of San Luis Obispo and the California Rural Home Mortgage Finance Authority Homebuyers Fund as an Associate Member.

DISCUSSION

Your Board signed a resolution and Joint Exercise of Powers Agreement on September 13, 2011 to join the California Rural Home Mortgage Finance Authority Homebuyers Fund. Due to a clerical error in their resolution language and Joint Exercise of Powers Agreement, we are resubmitting the corrected documents for signature. This error has not affected the County's participation in the California Rural Home Mortgage Finance Authority Homebuyers Fund.

Background

In July of 2008, then Governor Arnold Schwarzenegger signed Assembly Bill 811, which allowed local governments to create Property Assessed Clean Energy (PACE) financing programs. PACE programs were designed to offer property owners another option for financing energy efficiency and renewable generation upgrades to their property and were based on the concept of assessment districts, a public financing method that has been in existence in California for a decade.

In late 2009, a group of 13 California counties and several non-profit and private organizations partnered to develop a proposal to the California Energy Commission for funds to establish a PACE program entitled CaliforniaFIRST. Regrettably, on July 6, 2010, the Federal Housing Financing Authority published guidance that put all PACE programs permanently on hold. In response, the California Energy Commission retracted and redesigned the opportunity that had funded the CaliforniaFIRST Program and launched the Energy Upgrade California Program.

CHF Residential Energy Retrofit Program

California Rural Home Mortgage Finance Authority (CHF), a division of the Regional Council of Rural Counties (RCRC), operates in partnership with Energy Upgrade California to provide competitive financing and grants to homeowners for making energy efficiency improvements to their homes. These improvements reduce overall energy costs and create green jobs. The program is focused on the concept of "whole-house performance." Projects address all of the home's energy-using features, which can result in not just energy savings, but improved comfort, indoor air quality, combustion safety, and even noise reduction.

The program is funded through a \$16.5 million grant awarded to CHF by the California Energy Commission State Energy Program as part of the American Recovery and Reinvestment Act. CHF is contributing an additional \$2 million of its own funds to the program. Connecting property owners with financing options is an important component of the Energy Upgrade California Program. In order for residents to participate in the program, the property must be located within a CHF Member or Associate Member County. A CHF Member must join the RCRC for a fee which would allow them access to voting rights within the organization. A CHF Associate Member does not require membership in the RCRC and gains access to the program without any fee.

Benefits for Property Owners

- Loans to property owners for energy efficiency projects at a rate of 3% fixed interest, fully amortized over 15 years
- No maximum or minimum on the loan amount
- Grants on energy efficiency projects (of 15% of project cost, up to \$1,250), plus up to \$700 to cover the cost of home inspections
- Additional rebates of up to \$4000 through the Energy Upgrade California program

Borrower Eligibility Requirements:

- The Property must be located in a county that is a Member, or Associate Member of CHF
- The Applicant(s) must have a qualifying income of \$44,640-\$119,040 (based on 60%-160% of HUD Area Median Income for San Luis Obispo County; some exceptions for lower income individuals). If you make more than \$119,040, you are not eligible for this program
- All person(s) listed on the property title must apply for the Loan and/or Grant financing
- The mortgage (if applicable) and property taxes must be current
- There cannot be any tax liens on the property
- No credit check or home appraisal is required

Presently, there are 30 Member counties and 19 Associate Member counties in California. Membership allows the county to assign/transfer all, or a portion of, state allocated funds for single-family housing initiatives to CHF. In doing this, CHF is able to cover the costs associated with bond issuance and program development, thus alleviating the county of these financial responsibilities.

OTHER AGENCY INVOLVEMENT/IMPACT

Administrative Office and Planning and Building Department have reviewed the Resolution and Joint Powers Agreement and County Counsel has reviewed the Resolution and Joint Powers Agreement as to form and legal effect.

BUSINESS IMPACT STATEMENT

N/A

FINANCIAL CONSIDERATIONS

There is no fee associated with becoming an Associate Member.

RESULTS

Joining CHF as an Associate Member would give San Luis Obispo County residents access to financial assistance for home energy retrofit projects, such as window or duct sealing, insulating walls and attics, installing new heating and air conditioning systems, water heaters, windows, roofs, and in some cases solar systems. Residential energy retrofits reduce energy costs, create green jobs, and reduce Greenhouse Gas emissions. Its objective is to deliver energy efficiency savings to homeowners while also promoting opportunities for jobs to local contractors and tradesmen.

ATTACHMENTS

1. Exhibit A: Resolution for San Luis Obispo to join the California Rural Home Mortgage Finance Authority Homebuyers Fund as an Associate Member
2. Exhibit B: Joint Exercise of Powers Agreement between the County of San Luis Obispo and the California Rural Home Mortgage Finance Authority Homebuyers Fund as an Associate Member